IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

SUIT NO.2530 OF 1998

The Federal Bank Limited,
Banking Company incorporated under
the Companies Act, 1956 having its
registered office at Aluva, Kerala
and having one of its branches at
A-8, Laram Centre, S.V.Road,
Andheri (West), Mumbai-400 058.
..Plaintiffs.

Vs.

Sooraj Prakash,
of Mumbai, Indian Inhabitant,
residing at Flat No.302, 3rd floor,
Suman Apartments, Lokhandwala Complex,
Andheri (W), Mumbai - 53.
..Defendant.

Mr.A.S.Pal i/by O.A.Das for the Plaintiffs.

CORAM: A.S. OKA, J.
DATE : JULY 24,2007

ORAL JUDGMENT

1. This suit is listed under the caption of "Undefended Suit for Exparte Decree". The learned counsel appearing for the plaintiffs has tendered on record affidavit of evidence of Mr. John Daniel Manager (Administration & Legal) of the plaintiffs. The said affidavit is marked "X" for identification and is taken on record. Alongwith the said affidavit, a list of original documents is tendered by the learned counsel for the plaintiffs. The said list is marked "Y" (Collectively) for identification and is taken on

record.

2. According to the case of the plaintiffs, the defendant applied for grant of a Demand loan facility in the sum of Rs.5,00,000/- against pledge of 20,000 equity shares of a limited company. Accordingly, on 13th June,1995, the plaintiffs sanctioned a Demand Loan facility of Rs.5,00,000/- for a period of one year in favour of the defendant.

3. The defendant executed various documents such as a Demand Promissory Note in the sum of Rs.5,00,000/-, a Letter of Pledge of stock, Shares and securities and Security Delivery Letter. The said documents were executed by the defendant on 3rd June, 1995. As the defendant failed to repay the loan amount, the plaintiffs through their Advocate’s notice dated 13th April,1998 called upon the defendant to pay the outstanding amount.

4. Written statement is not filed by the defendant. The claim of the plaintiffs is duly proved by the plaintiffs by affidavit of Mr. John Daniel. This witness has also proved the original documents referred to above as well as the extract of the Loan Account of the defendant which is produced at item No.7 in the

list marked as "Y".

5. The plaintiffs have claimed further interest at the rate of 22.95% per annum with quarterly rests. Considering the facts of the case, further interest will have to be granted at the rate of 18% per annum from the date of the suit.

6. In view of what is stated above, the plaintiffs are entitled to decree. Accordingly, the suit is decreed in terms of prayer clause (b) and (c) with modification that further interest will be payable by the defendant at the rate of 18% per annum from the date of the suit till realization or the payment.

7. The plaintiffs are entitled to refund of court fee, if any, as per rules.

8. Certified copy is expedited.

(A.S. OKA, J.)